

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1368230-0

Total Deleted Page(s) = 35

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memorandum

DATE: 5/12/78

REPLY TO
ATTN OF: SA EUGENE L. PAYNESUBJECT: UNSUB, aka
Cartha DeLoach,
Zeke

TO: IMPERSONATION

TO: SAC, MINNEAPOLIS (47-NEW) (P)

On 5/11/78 [redacted], Sioux Falls, South Dakota, formerly employed as Drug Enforcement Investigator in Office of State Attorney General WILLIAM JANKLOW during 1975-76, advised in summary as follows:

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During his tenure, he participated in case against [redacted], who was tried and convicted in state court. [redacted] was defended by DAVID VROOMAN, presently U.S. Attorney for South Dakota.

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[redacted] is scheduled for appearance 5/12/78 before U.S. Magistrate PEDER K. ECKER to produce exculpatory evidence on behalf of defendant [redacted].

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During 5/10 and 5/11/78 [redacted] was contacted by individual who identified himself first as ZEKE and later as CARTHA DE LOACH. Caller claiming to be DE LOACH said he was Vice President of Corporate Affairs, Pepsico Company, Purchase, New York, telephone [redacted]. DE LOACH claimed he was in the FBI and was commissioned by HOOVER in 1968 as Chief of Operations.

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b7C

DE LOACH claimed he is presently investigating Office of State Attorney General WILLIAM JANKLOW and working with Senator GEORGE MC GOVERN and others to institute Federal Grand Jury proceeding concerning problems in JANKLOW's office. DE LOACH expressed awareness of [redacted]'s problems with JANKLOW and told [redacted] if he cooperated, he could be rehabilitated.

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Additionally, [redacted] received a letter purportedly from [redacted], Office of General Counsel, U.S. Commission on Civil Rights, noting DE LOACH told [redacted] he would be receiving correspondence soliciting his cooperation.

2 - Minneapolis
ELP:cjp
(2)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

47-3118-1

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAY 12 1978	
FBI - MINNEAPOLIS	

47-NEW
00000
17440
1000

Payne



MP 47-NEW

DE LOACH questioned [] at length concerning facts of case against [], including information about informants and warned [] not to tell [] about his investigation of JANIKOW because [] was "too volatile" and would wreck his efforts.

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[] was told to cooperate fully with local attorney [], and [] told [] he had checked out DE LOACH, and DE LOACH was who he said he was. Later [] confronted [] with local FBI contact wherein doubt was expressed that DE LOACH was so involved, [] hedged and claimed another attorney, [], had checked with DE LOACH for him.

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Additionally, [] told [] he was in contact with [], Democratic State Committeeman, and Magistrate PEDER ECKER, telling those individuals he had information concerning Sioux Falls detectives which he intended to divulge during proceedings 5/12/73, the significance of this allegation by [] unknown.

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Pierre RA has been requested to conduct investigation at telephone [], where [] contacted unsub.

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Sioux Falls RA intends to attend hearing and subsequently to interview a attorney [] regarding his knowledge of unsub.

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b7C

FBI

TRANSMIT VIA:

☒ Teletype☐ Facsimile☐ _____

PRECEDENCE:

☐ Immediate☐ Priority☒ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ E F T O☒ CLEAR

Date 5/12/78

FM MINNEAPOLIS (47-NEW) (P)

TO DIRECTOR ROUTINE

BT

UNCLAS

[REDACTED], AKA CARTHA DE LOACH, ZEKE; IMPERSONATION; OOJ.
OO: MINNEAPOLIS.

[REDACTED], SIOUX FALLS, SOUTH DAKOTA, FORMER DRUG
INVESTIGATOR, SOUTH DAKOTA STATE ATTORNEY GENERAL'S OFFICE,
CONTACTED MAY 10-11, 1978 BY UNSUB. WHO SUBSEQUENTLY IDENTIFIED
HIMSELF AS BEING WITH FBI AND FURNISHED NAME CARTHA DE LOACH, AKA
ZEKE AND CURRENTLY CONNECTED WITH PEPSICO. UNSUB. CLAIMED TO BE
INVESTIGATING SOUTH DAKOTA STATE ATTORNEY GENERAL BILL JANKLOW
LOOKING TOWARD FGJ INVESTIGATION OF JANKLOW'S OFFICE. [REDACTED]
SCHEDULED TO APPEAR FEDERAL DISTRICT COURT, SIOUX FALLS MAY 12,
1978 FOR EXCULPATORY EVIDENCE HEARING IN SOUTH DAKOTA. STATE CASE
APPEALED TO FEDERAL COURT RE [REDACTED], AN ATTORNEY AND UNSUB.
INSTRUCTED [REDACTED] TO COOPERATE FULLY WITH ATTORNEY [REDACTED]
REPRESENTING [REDACTED].

① - Minneapolis

ELP:kcu

(1) *Ken*

47-3118-2

Approved: *DAB/10*

Transmitted

(Number)

003

(Time)

2330Z

Per

[Signature]

FBI/DOJ

FBI

TRANSMIT VIA:

☒ Teletype☐ Facsimile☐ _____

PRECEDENCE:

☐ Immediate☐ Priority☐ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ E F T O☐ CLEAR

Date _____

PAGE TWO MP 47-NEW UNCLAS

MINNEAPOLIS CONTACTED FORMER ASSOCIATE DIRECTOR DE LOACH DIRECTLY AT PEPSICO IN NEW YORK AND DE LOACH CONFIRMED NO CONNECTION OR INTEREST IN SOUTH DAKOTA AFFAIRS AS ALLEGED.

INVESTIGATION MINNEAPOLIS DISCLOSED SIOUX FALLS ATTORNEY

[REDACTED], POSSIBLY CONNECTED WITH U.S. DEPARTMENT OF COMMERCE ON GOVERNMENT GRANT, CONTACTED [REDACTED] FROM PIERRE, SOUTH DAKOTA BY TELEPHONE. [REDACTED] ON INTERVIEW ADMITTED TO HIS PRESENCE IN PIERRE MAY 11, 1978 BUT EFFORTS TO DEVELOP DETAILS CONCERNING HIS IMPERSONATION NEGATIVE WHEN [REDACTED] DISCONTINUED INTERVIEW. LATER [REDACTED] KNOWN TO HAVE CONTACTED DE LOACH AND INVESTIGATION CONTINUING.

FACTS OF CASE DISCUSSED WITH USA, SIOUX FALLS AND STATEMENTS MADE BY [REDACTED] TO [REDACTED] DURING CONVERSATIONS ARE BELIEVED BY USA TO BE OBSTRUCTION OF JUSTICE. MINNEAPOLIS OBTAINED TAPE RECORDINGS MADE BY [REDACTED] OF SOME CONVERSATIONS WITH [REDACTED] WHICH WILL BE FORWARDED TO LABORATORY UNDER SEPARATE COVER FOR EXAMINATION AND TRANSCRIPTION. MINNEAPOLIS WILL FURNISH BUREAU WITH DETAILED AIRTEL MAY 15, 1978.

BT

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Approved: _____

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(Number) (Time)Per _____
FBI/DOJb6
b7cb6
b7c

FBI

TRANSMIT VIA:

☒ Teletype☐ Facsimile☐ _____

PRECEDENCE:

☐ Immediate☒ Priority☐ Routine

CLASSIFICATION:

☐ TOP SECRET☐ SECRET☐ CONFIDENTIAL☐ E F T O☒ CLEARDate 5/16/78

FM MINNEAPOLIS (47-3188) (P)

TO WFO PRIORITY

BT

UNCLAS

 , AKA CARTHA DE LOACH; IMPERSONATION; OOJ.

OO: MINNEAPOLIS.

SUBJECT , A WHITE MALE; AGE EARLY 40'S; 5'7"; LIGHT BROWN HAIR; BLUE EYES; IMPERSONATED CARTHA DE LOACH MAY 11, 1978 BY TELLING LOCAL WITNESS, SIOUX FALLS, SOUTH DAKOTA HE WAS WITH THE FBI AND REQUESTED CERTAIN INFORMATION FROM THE WITNESS PRIOR TO TESTIMONY IN FEDERAL DISTRICT COURT MAY 12, 1978.

DURING CONVERSATION WITH WITNESS ADVISED THE WITNESS WOULD RECEIVE A LETTER FROM A DE LOACH OPERATIVE WHERE WITNESS COULD CALL IF HIS LIFE WAS THREATENED.

SUBSEQUENTLY THE WITNESS , SIOUX FALLS, SOUTH DAKOTA RECEIVED A LETTER POSTMARKED SIOUX FALLS CONTAINING A XEROX COPY OF A BUSINESS CARD OF , ATTORNEY, ADDRESS U.S. COMMISSION ON CIVIL RIGHTS,

① - Minneapolis

ELP:kcw

(1) *kcw*

47-3118-4

 Searched
 Serialized
 Indexed
 Filed
Approved: *B/200*Transmitted 007

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0342z

(Time)

Per *Yg*

FBI/DOJ

FBI

TRANSMIT VIA:

☐ Teletype
☒ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

Date _____

PAGE TWO MP 47-3188 UNCLAS

WEST, WASHINGTON, D.C. 20425. A NOTATION ON THE CARD SHOWS OFFICE OF GENERAL COUNSEL, PHONE [REDACTED].

SUBJECT WAS APPARENTLY IN WASHINGTON, D.C. IN 1969 WHERE HE MAY HAVE OBTAINED INFORMATION RE DE LOACH AND THUS SPECULATION MAKES IT APPEAR HE MAY HAVE CONTACTED [REDACTED] AT ABOUT THAT SAME TIME. HOWEVER THE USA'S OFFICE, SIOUX FALLS ALSO BELIEVES [REDACTED] MAY HAVE TRAVELED TO SOUTH DAKOTA SUBSEQUENT TO 1969 IN CONNECTION WITH CIVIL RIGHTS MATTERS RE INDIANS ON SOUTH DAKOTA RESERVATIONS.

FOR INFO WFO, CONTACT WITH DE LOACH AT NEW YORK DETERMINED SUBJECT [REDACTED] UNKNOWN TO HIM.

SUBJECT [REDACTED] ALSO IN CONTACT AT SIOUX FALLS WITH ATTORNEY [REDACTED]. POTENTIAL CONSPIRACY BETWEEN [REDACTED] AND [REDACTED] EXISTS IN CONTACTS WITH [REDACTED] AND THUS SITUATION POSSIBLY EXISTS WHERE [REDACTED] BUSINESS CARD MAY HAVE BEEN OBTAINED BY [REDACTED] WHO IS ALSO KNOWN TO HAVE DEALT WITH INDIAN PROBLEMS IN SOUTH DAKOTA.

USA, SIOUX FALLS CONSIDERING ISSUANCE OF SEARCH WARRANT TO IDENTIFY SENDER OF LETTER TO [REDACTED] BUT PRIOR TO ISSUANCE DESIRES DEVELOPMENT OF INFORMATION RE POSSIBLE CONNECTION BETWEEN [REDACTED]

Approved: _____

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(Number) (Time)Per _____
FBI/DOJ

FBI

TRANSMIT VIA:

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PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

Date _____

PAGE THREE MP 47-3188 UNCLAS

AND SUBJECT AND OR [REDACTED] IN SIOUX FALLS.

WFO, AT WASHINGTON, D.C., ATTEMPT TO LOCATE AND INTERVIEW

[REDACTED] AT ADDRESS SET FORTH ABOVE, NOTING THIS ADDRESS
MAY BE OLD ADDRESS. DETERMINE FROM [REDACTED] WHETHER OR NOT HE IS
ACQUAINTED WITH SUBJECT [REDACTED] OR [REDACTED] AND DEVELOP
CIRCUMSTANCES WHEREIN [REDACTED] OR [REDACTED] MAY HAVE BEEN IN
POSSESSION HIS BUSINESS CARD. ALSO DETERMINE IF [REDACTED]
ACQUAINTED WITH CARTHA DE LOACH AND OR WITNESS [REDACTED] OR
DEFENDANT IN STATE CASE [REDACTED].

BT

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Approved: _____

Transmitted _____
(Number) (Time)

Per _____

FBI/DOJ

WFO022 1380304Z

PP MP

DE WF

P 170004Z MAY 78

FM WASHINGTON FIELD (47-10867) (P)

TO MINNEAPOLIS (47-3188) PRIORITY

BT

UNCLAS

[REDACTED] AKA CARTHA DE LOACH: IMPERSONATION; OOJ,
(OO:MINNEAPOLIS)

RE MP TEL TO WFO MAY 16, 1978.

ON MAY 17, 1978, [REDACTED], ATTORNEY, U.S.
COMMISSION ON CIVIL RIGHTS, 1121 VERMONT AVENUE, N.W.,
WASHINGTON, D. C. (WDC), WAS CONTACTED AND FURNISHED THE
FOLLOWING INFORMATION:

HIS OFFICE IS CURRENTLY DOING A STUDY IN SOUTH DAKOTA,
REGARDING INDIAN-NON-INDIAN RELATIONSHIPS THERE.

HE INTERVIEWED [REDACTED] IN SOUTH DAKOTA ON
APRIL 25, 1978, REGARDING INDIAN AFFAIRS IN SOUTH DAKOTA.
AT THIS TIME, [REDACTED] TOLD HIM THAT HE WORKED FOR THE
OFFICE OF MINORITY BUSINESS ENTERPRISES IN SOUTH DAKOTA,

*read to
Payne 10:30 am
5-18-78 jg*

47-3118-5

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 1 1978	
FBI - MINNEAPOLIS	

Payne

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b6
b7C

PAGE TWO WF 47-10867 UNCLAS

AND WAS CURRENTLY ON LOAN TO THE GOVERNOR'S OFFICE IN SOUTH DAKOTA TO PUT TOGETHER MEANS WHEREBY INDIANS COULD OBTAIN LOANS FROM FINANCIAL INSTITUTIONS TO START THEIR OWN BUSINESS. [] TOLD HIM THAT HE WAS AN ATTORNEY AND HAD BEEN EMPLOYED AT THE OFFICE OF MINORITY BUSINESS ENTERPRISES IN SOUTH DAKOTA FOR THREE YEARS. AT THIS TIME, [] GAVE HOPEWELL ONE OF HIS BUSINESS CARDS. THIS WAS THE ONLY CONTACT [] HAS HAD WITH [].

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[] FURTHER ADVISED THAT THE NAME OF [] [], CARITHA DE LOACH, [] AND [] WERE NOT FAMILIAR TO HIM.

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[] STATED HE WOULD LIKE TO BE KEPT ADVISED OF DEVELOPMENTS.

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FD-302 TO FOLLOW.

BT

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/19/78

[redacted] Attorney, United States (U. S.)
Commission on Civil Rights, 1121 Vermont Avenue, N. W.,
Washington, D. C. (WDC), telephone number [redacted]
was contacted and he furnished the following information:

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His office is currently conducting a study in
South Dakota, regarding Indian-non-Indian relationships there.

He interviewed one [redacted] in South Dakota
on April 25, 1978, regarding Indian affairs in South Dakota.
At that time, [redacted] told him that he worked for the Office
of Minority Business Enterprises in South Dakota, and was
currently on loan to the Governor's office of South Dakota,
to put together means whereby Indians could obtain loans
from financial institutions to start their own businesses.

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He said [redacted] told him that he was an attorney and
had been employed at the Office of Minority Business Enterprises
in South Dakota for three years.

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He gave [redacted] one of his business cards at that
time and that was the only contact he has had with [redacted].

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He further advised that the names of [redacted],
CARTHA DE LOACH, [redacted], and [redacted] were not
familiar to him.

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He said he would like to be kept advised of the
developements, as he gave no permission to [redacted] to pass
his card out to other person.

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Interviewed on 5/17/78 at Washington, D. C. File # WFO 47-10867
DWG MP 47-3118-6
by SA [redacted] :sfw Date dictated 5/17/78

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ E F T O
☐ CLEAR

Date 5/19/78

TO: SAC, MINNEAPOLIS (47-3188)

FROM: SAC, WFO (47-10867) (RUC)

[REDACTED], aka
CARTHA DE LOACH;
INPERSONATION; OOJ
(OO:MP)

ReWFOtel dated 5/17/78.

Enclosed for Minneapolis is the original and two
copies of an FD-302 reflecting interview with [REDACTED]
at Washington, D. C.

Matter RUC at WFO.

② - Minneapolis (Enc. 3)
1 - WFO

DWG:sfw
(3)

47-3118-71

SEARCHED	INDEXED
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MAY 22 1978	
FBI - MINNEAPOLIS	

Rayne
W/ends

Approved: *NGS/t* Transmitted _____ (Number) _____ (Time) Per _____

FEDERAL BUREAU OF INVESTIGATION

Date of transcription May 17, 1978

[redacted], former drug agent for the South Dakota Attorney General's Office, currently residing in Sioux Falls, South Dakota, telephone number [redacted], telephonically contacted Special Agent (SA) [redacted] and advised that he had previously been in contact with SA EUGENE L. PAYNE of the Sioux Falls Resident Agency of the Federal Bureau of Investigation (FBI).

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[redacted] explained that on May 10, 1978, his residence had been contacted and an individual who identified himself as "Zeke with the FBI" wanted to talk to him. [redacted] was not at home and his mother took two calls from "Zeke."

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[redacted] added that on the morning of May 11, 1978, he was again contacted by "Zeke" and "Zeke" identified himself as CARTHA D. DE LOACH, an FBI Agent. This person advised [redacted] that he was conducting a confidential civil rights investigation on behalf of Senator GEORGE MC GOVERN's Office into improprieties in South Dakota Attorney General WILLIAM JANKLOW's Office. This individual said that he knew [redacted] to be disappointed with JANKLOW because JANKLOW had "fired" [redacted]. This individual who said he was CARTHA DE LOACH advised that he was a vice president for Pepsico, telephone number [redacted].

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This individual also solicited tapes and other documents from [redacted] regarding the investigation of Attorney [redacted] (convicted in South Dakota courts of possession of a controlled substance). This individual said he would never meet [redacted] but suggested that [redacted] send tapes and documents in the mail or by "drop." This individual also cautioned [redacted] not to discuss this investigation with the United States Attorney at Sioux Falls, South Dakota, as the United States Attorney is volatile and would "screw things up."

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[redacted] recalled that he was in the office of [redacted] (attorney for [redacted]), on May 11, 1978, when he telephonically contacted the individual who identified himself as CARTHA DE LOACH.

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Interviewed on May 11, 1978 at Sioux Falls, South Dakota File # MP 47-3118 - 8

by SA [redacted] /pkb Date dictated May 15, 1978

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/25/78

Mr. [REDACTED], Sioux Falls, South Dakota, formerly employed as Deputy Sheriff, Minnehaha County from [REDACTED], and as a Drug Enforcement Investigator in the office of State Attorney General WILLIAM JANKLOW during [REDACTED] and again a Minnehaha County Sheriff's Office Deputy during [REDACTED], advised as follows:

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During his tenure as a Drug Enforcement Investigator, he assisted in the case against [REDACTED], an attorney who was tried and convicted in South Dakota State Court for distribution of a controlled substance. [REDACTED]

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On May 12, 1978, [REDACTED] was scheduled for appearance in United States District Court in Sioux Falls for a hearing before United States Magistrate PEDER K. ECKER to produce exculpatory evidence on behalf of the defendant [REDACTED] who has appealed his case and has consistently lost in State Court.

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On May 10, 1978, a telephone call was received at the residence of [REDACTED], telephone number [REDACTED], in Sioux Falls, wherein the caller asked to talk to [REDACTED], on a very urgent matter. The same caller later told [REDACTED] during a second call that he was with the FBI and that his FBI friends call him "ZEKE". He expressed an urgent desire to contact [REDACTED] on a Federal case. He also said he had to leave Sioux Falls because he had a flight to Denver.

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At about 11:00 a.m., or shortly after, on May 11, 1978, while he [REDACTED] was in conference with a local attorney, [REDACTED], concerning the scheduled hearing in District Court, [REDACTED] was told by [REDACTED] to contact a telephone number in Pierre, South Dakota, [REDACTED], and ask for CARTHA D. DE LOACH.

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Interviewed on 5/15/78 at Sioux Falls, South Dakota File # MP 47-3113 -16

by SA [REDACTED] and
SA EUGENE L. PAYNE:skk Date dictated 5/19/78

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MP 47-3118

Shortly after [] gave [] the name and telephone number in Pierre, [] received a telephone call. [] was present in the room with [] as the conversation took place. He heard [] say, "Do you want to talk to him right now?" and then [] said, "Oh, O.K., I see", and then hung up. [] then explained that DE LOACH wanted [] to call back on a private line from a private office where there was no one else present.

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At this point, [] told [] that he was suspicious and did not believe that this man was an FBI Agent because [] did not know the FBI to operate in this manner.

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[] then said for [] not to worry because [] knew the man was who he said he was supposed to be and that he, [], had checked him out. [] said that he had been told to give [] a pad and pencil when he called.

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After that conversation, [] dialed the number and handed the phone to []. It was ringing and was answered by a female voice who said, "Action". [] then told her his name as [] calling from Sioux Falls and that he had been instructed to contact CARTHA D. DE LOACH which was a name that [] read from a note that [] had handed him with the name on it. The girl on the other end of the line acted nervous and said, "He's on another line right now". [] said that he could not be because he had just called []'s office and had said that [] was to call him right back. The girl then said, "O.K., just a minute".

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Then a male voice answered the phone by saying, "Mr. []" and [] said that it was him. The voice then asked, "Have you got a pad and pencil". [] said that he had. The voice then asked [] whether or not he had received a letter in the mail yet and [] said that he had not and that he had not checked his mail.

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MP 47-3118

that day as yet. The voice then said that a letter was being mailed to [] at [] address, [], Sioux Falls, and he told [] that one of his operatives in Sioux Falls had mailed it out for him before he had left. The voice further told [] that the letter contained the name of an individual who was one of his operatives and that [] was to contact that person in the event he believed that he was in danger or was being set up.

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[] then asked the voice if he was the same man who had called the night before and had talked to [] in Sioux Falls and the voice said that he was the same person.

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The voice then said that we have got to get going and he began to ask questions such as whether or not [] was acquainted with [] [] agreed that he was and then the voice mentioned [].

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b7C

[] realizes that he was suspicious and that he was stalling and he thinks that the voice began to realize that also. Then he asked again whether or not [] had a pad and pencil ready that Mr. [] had given him and he said that he did.

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At this point, the voice identified himself as CARTHA D. DE LOACH and spelled the name out carefully for []. He said that he was Vice President in charge of Corporate Affairs of Pepsico in Purchase, New York, and he even furnished the zip code. He also gave [] the telephone number []. He explained to [] that he had been commissioned by JOHN EDGAR HOOVER in 1968 as Chief of Operations. Then he quickly said that he was with the FBI. He said, "If you don't believe me, my FBI friends refer to me as ZELE".

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MP 47-3118

DE LOACH then explained to [] that in his capacity as Chief of Operations for the FBI, he was investigating the Office of Attorney General WILLIAM JANKLOW, saying that it was a "tyranny" since 1975. DE LOACH claimed that he was working on a joint commission which included Senator GEORGE MC GOVERN and others and that a Federal Grand Jury would soon be convened to look into the problems encountered in the Attorney General's Office.

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DE LOACH expressed awareness of [] problems with JANKLOW's office and said that [] could be rehabilitated if he cooperated with DE LOACH. He said, "they" had been doing alot of investigating and had heard bad things about [] but after doing some checking, they had determined that [] was an honest cop. Somehow during this phase of the conversation, DE LOACH said that he would not advise [] of his rights.

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DE LOACH did question [] regarding the [] case asking [] to advise DE LOACH to whom individuals connected with the case reported, including [], [], [], and [], most of whom were informants or sources of [] and others involved in the prosecution. [] avoided being specific in answers to questions except for [] who was [] and who had testified as such at the trial.

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DE LOACH also asked about a case handled by [] involving 500 pounds of marijuana which referred to the [] because it also involved the defendant [] who, when arrested, had some of the bags previously identified with the [] case in his possession.

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b7C

All of DE LOACH's questions were specific enough to convince [] that whoever he was talking to had reviewed [] case reports because of the details apparently known to him.

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b7C

MP 47-3118

DE LOACH then cautioned [] that he was not to tell either [] nor the United States Attorney VROCMAN about the investigation of JANKLOW's office.

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DE LOACH did, however, instruct [] to cooperate fully with [] and furnish whatever [] needed for the scheduled hearing in District Court on May 12, 1978.

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b7C

The entire conversation with DE LOACH lasted about 45 minutes and the conversation covered other things relating to the [] case.

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DE LOACH then said that they had to close off the conversation because he had to go to other cities. He told [] that he would be calling him later and [] then informed DE LOACH that he wanted to meet him personally. At this point, DE LOACH said that they would not ever meet face to face but that they would use mail drops and telephones and in fact, if [] contacted or attempted to contact DE LOACH in New York, DE LOACH would deny ever having been in touch with []. DE LOACH then told [] that he has at least 90 minutes more of interview with [] and that he would call him back at 4:00 p.m.

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The conversation was then terminated and [] then told [] that DE LOACH had claimed to be with the FBI.

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[] remembered that when [] first gave him the name of DE LOACH in his office to call, [] reminded [] that someone had tried to contact him the night before and [] at that time said that he had been told that this was the same man.

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Furthermore, in connection with the letter referred to by the caller DE LOACH, [] pointed out that on May 11, 1978, he did receive a letter purportedly coming from [], attorney, Office of General Counselor, United States Commission on Civil Rights, Washington, D.C., telephone number [].

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b7C

MP 47-3118

[] advised that when DE LOACH was asking him questions, his voice was strong and demanding but that when he said he was with the FBI, he spoke a little more hasty and softer.

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After hanging up, [] expressed concern to [] about DE LOACH being in the FBI and the sincerity of the entire conversation. [] told [] that he had a friend in the FBI and that he intended to check out DE LOACH and [] told him that this was "understandable". [] pushed [] about DE LOACH and tried to find out why DE LOACH was involved. [] told him that politicians had contacted [] because [] was getting too close to the top. [] said this referred to contacts that [] had made in drug investigations where well known people were involved.

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[] remembered that when he first confronted [] with the name and identity of DE LOACH, [] had told him that he [] had checked out DE LOACH and that he was who he said he was. Later when [] told [] that he had been in contact with the FBI concerning DE LOACH and that they did not believe DE LOACH was operating in the manner described, [] then claimed that he also had his doubts and said that it was an attorney friend of his, [] from the "Action" Office of Indian Rights who had checked DE LOACH out.

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[] also told [] that he had met earlier in the day with Attorney [], Democratic Committee man in Sioux Falls, and [] and that [] had told them he had information concerning two Sioux Falls Detectives that he would reveal during the hearings on May 12, 1978, but [] did not know the significance of this remark by [].

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[] then about 2:50 a.m. on May 12, 1978, received a call from a person who described himself as an operative of DE LOACH. The caller said he hoped [] would keep their relationship in secret and

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MP 17-3118

[] told the caller at that time that he had since found out DE LOACH was not in the FBI and then the operative said that [] was mistaken and that DE LOACH had not told him that. The caller then encouraged [] to tell the FBI that [] had been mistaken over the conversation about what DE LOACH had said concerning DE LOACH's connections with the FBI.

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Because the caller had previously discussed County Sheriff LES HAWKEY when he said that he tried to buy meals or drinks for HAWKEY and because he claimed he was a friend of HAWKEY, [] began to realize his true identity and then he told the caller that he knew that he was []. The caller then asked [] how sure he was and he said 98 percent sure. At that time the caller says, "Well, you're right, how did you know?", at which time [] told him how he had figured out his identity.

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[] realized that during the call in the morning at 2:50 a.m., he was very sleepy and that he was making a recording of the call and thus he did not pay close attention to what the caller was saying. He felt that the next morning he could refresh his memory by playing the conversation back from his recorder, but in the morning he determined that the batteries had run low on his recorder and that the fidelity of the recording was very weak.

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[] pointed out that since his original contact with the person identifying himself as DE LOACH on May 11, 1978, he was not recontacted by anyone who claimed that he was DE LOACH again. Rather, on recontact the same voice told [] that he was an operative of DE LOACH.

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[] remembered also that at about 11:00 p.m. on May 11, 1978, he received a telephone call at [] from an individual who identified himself by saying that he was an operative of DE LOACH and that Mr. DE LOACH wanted to apologize because he

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MP 47-3118

could not get back to [redacted]. He said that DE LOACH was in another city on another matter but that he had been told by DE LOACH to handle this call. This operative then began a conversation which [redacted] recorded, which lasted approximately 50 minutes. [redacted] explained that this was one of the recordings placed on the cassette tape which he had made available on May 12, 1978, to the FBI.

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[redacted] explained also that on the same night, he had made a short telephone call to [redacted] when [redacted] told [redacted] that he thought this deal with DE LOACH was a phony deal and that he had been in touch with the FBI concerning DE LOACH's identity. [redacted] explained that he also recorded that call with [redacted] and that this was one of the telephone calls on the cassette tapes which he had made available to the FBI on May 12, 1978.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/25/78

[redacted], attorney, appeared at the Sioux Falls Resident Agency of the FBI, and advised as follows:

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He operates [redacted] and is paid by the Department of Commerce and considers himself to be a Department of Commerce employee. He believes that he is involved in what is known as inter-Governmental personnel assignment (IPA). He explained that his funds come by direct appropriation from the United States Government and that these funds are administered by the Old West Regional Commission through the office of the Governor of South Dakota and other Governors. It is a five million dollar budget and [redacted] represents 23 Indian Reservations in five states.

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[redacted] advised that he had retained counsel concerning his use of the name CARTHA DE LOACH and that information concerning his use of this name would be revealed in the near future. He would not say how it was to be revealed. [redacted] was asked to submit to fingerprinting and declined to do so and the interview was terminated.

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Interviewed on 5/15/78 at Sioux Falls, South Dakota File # MP 47-3118 -11
by SA [redacted] and
SA EUGENE L. PAYNE:sks Date dictated 5/19/78

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/24/78

An individual who identified himself as [] telephonically contacted the Sioux Falls Resident Agency of the FBI and advised that he had telephonically contacted CARTHA DE LOACH in New York . He told Mr. DE LOACH that he had contacted him in 1969 but that DE LOACH had denied that he, [], had contacted him or that he even knew [].

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[] was advised that in the event he wanted to make a statement concerning his contacts with DE LOACH or otherwise clarify his use of DE LOACH's name, he could appear at the FBI office and his information would be received. At this time, [] terminated the conversation.

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Interviewed on 5/12/78 at Sioux Falls, South Dakota File # MP 47-3118 -12
by SA EUGENE L. PAYNE:sks Date dictated 5/18/78

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

Minnehaha County Sheriff LES HAWKEY telephonically contacted Special Agent (SA) EUGENE L. PAYNE during the evening hours advising that he had been contacted by [REDACTED] a Sioux Falls resident who used to be employed by HAWKEY and who was formerly a drug investigator for the State of South Dakota. [REDACTED] told HAWKEY that two calls had come to [REDACTED] in Sioux Falls and that they were apparently from an FBI agent and [REDACTED] was attempting to establish through HAWKEY the identity of the agent who might desire to get in touch with him.

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Interviewed on 5/10/78 at Sioux Falls, South Dakota File # MP 47-3118 *13*

by SA EUGENE L. PAYNE:sks Date dictated 5/16/78

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

Mr. [redacted], telephone number [redacted], was contacted telephonically at his residence.

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[redacted] was informed that Special Agent (SA) EUGENE L. PAYNE had received a telephone call from Sheriff LES HAWKEY wherein HAWKEY related that [redacted] wanted to talk to an FBI Agent concerning the identity of someone from the FBI who purportedly was attempting to establish contact with him.

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[redacted] explained that two telephone calls had been received at [redacted] at telephone number [redacted] on May 10, 1978. During the first call, [redacted] was asked if the caller could talk to the [redacted].

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[redacted] apparently said she was not there and asked the individual to call back. According to [redacted], the caller called back at about 9:00 p.m. and again talked to his mother. At that time, he said he was with the FBI and that his FBI friends called him ZEKE and that it was important for him to get ahold of [redacted] concerning a Federal case.

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[redacted] was advised that none of the local FBI Agents in Sioux Falls were known to use the name ZEKE and that it was not consistent with our method of operation to call someone and refer to themselves only by nickname in connection with an inquiry of this type. [redacted] was urged to try to further identify the individual who might call him by getting more information including a name or a contact point so that the matter could be further explored.

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Interviewed on 5/10/78 at Sioux Falls, South Dakota File # MP 47-3118-14
by SA EUGENE L. PAYNE:sk Date dictated 5/16/78

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

Mr. [REDACTED], advised telephonically as follows:

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During the morning of May 11, 1978, [REDACTED] was at the office of a local Sioux Falls attorney, [REDACTED]. During his contact with [REDACTED], he was advised by [REDACTED] that he was supposed to talk to an FBI Agent at telephone number [REDACTED] in Pierre, South Dakota.

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Accordingly, [REDACTED] called the number in Pierre, South Dakota, at which time he talked to an individual who told him that he was with the FBI and that his name was CARTHA DE LOACH. During this telephone call with the individual who identified himself as DE LOACH, he was told by the individual he talked to that he was an FBI Agent and that he was also the Vice President of Pepsico Company, as Vice President of Corporate Affairs in Purchase, New York, telephone number [REDACTED]. This individual also told [REDACTED] that he was the same individual who had contacted his residence on the previous day and referred to himself as ZEKE.

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The caller also told [REDACTED] that he was working with Senator MC GOVERN on a committee to investigate the office of South Dakota Attorney General BILL JANKLOW. Then he indicated that a Federal Grand Jury might be convened to explore the charges against JANKLOW's office.

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[REDACTED] explained that he was scheduled to appear in United States Federal District Court at Sioux Falls on May 12, 1978, regarding an exculpatory evidence hearing relating to a case involving a Sioux Falls attorney [REDACTED]. According to the individual with whom he was speaking who identified himself as DE LOACH, DE LOACH was soliciting the cooperation of [REDACTED] in the upcoming hearing scheduled for May 12, 1978. He questioned [REDACTED] at some length regarding circumstances and informants which were related to the

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Interviewed on 5/11/78 at Sioux Falls, South Dakota File # MP 47-3118 -15
by SA EUGENE L. PAYNE:sk Date dictated 5/16/78

MP 47-3118

case involving [REDACTED].

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Sometime during the conversation, the individual identifying himself as DE LOACH told [REDACTED] that he would be receiving a letter and in it there would be a name of a person who he could contact in the event that he felt that his life was being threatened and that this person who would send him the letter was an operative of DE LOACH.

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[REDACTED] did receive a letter on May 11, 1978, which contained a xerox copy of a business card which set forth the name [REDACTED], attorney - Office of General Counselor, United States Commission on Civil Rights with a Washington, D.C. telephone number [REDACTED].

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[REDACTED] explained that after he hung up with the individual in Pierre, South Dakota, he talked to the attorney, [REDACTED], and [REDACTED] had told him that he had checked out the man in Pierre and that he was who he said he was. [REDACTED] at that point was somewhat assured that he was talking with somebody from the FBI.

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Additionally, [REDACTED] contacted the New York telephone number of the man named CARTHA DE LOACH and was told by an operator that there was no such number for Pepsico and that the only listing they had was the New York number [REDACTED]. The operator told him, however, that the number that [REDACTED] had in his possession might be an internal number of the organization.

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At this point, Mr. [REDACTED] was advised that the name CARTHA DE LOACH was the name of the former official of the FBI who, after he left the Bureau, did take a position with the Pepsico Company. However, DE LOACH was not known to have been involved on any FBI operations as explained to [REDACTED] by the individual whom he talked to in Pierre, South Dakota. [REDACTED] was informed that it was highly doubtful that the individual he contacted was with the FBI in that inquiries would be undertaken to determine whether or not DE LOACH had contacts of a nature

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MP 47-3118

described to [] and/or an effort would be made to determine the identity of the individual he contacted so as to resolve the matter.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

[redacted], was contacted at the Office of the United States Attorney DAVID VROOMAN. Also present besides [redacted] and Mr. VROOMAN were Assistant United States Attorneys ROBERT D. HIARING and GARY COLBATH.

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During this contact, [redacted] made available three cassette tape recordings of conversations entered into by himself with an attorney, [redacted], and an individual who had previously identified himself to [redacted] as CARTHA DE LOACH.

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[redacted] explained that the conversation with [redacted] had taken place on the night of May 11, 1978, subsequent to his conversation with Special Agent (SA) EUGENE L. PAYNE of the FBI. After his contact with [redacted], an individual contacted him and identified himself as an operative or representative of CARTHA DE LOACH, even though [redacted] recognized the voice of this individual as being the same as the man whom he had previously talked to in Pierre, South Dakota, on May 11, 1978, at which time he was at the office of [redacted].

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Another conversation took place at about 3:00 a.m. on the morning of May 12, 1978, and again it was the voice of this same person whom he had talked with in Pierre, South Dakota, on May 11, 1978. [redacted] explained that the batteries on his recorder had run low and that this conversation, although audible, was barely perceptible to the ear.

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[redacted] explained that these conversations were all between himself and other persons and that he had recorded them so as to have a record of the conversation. [redacted] made available these cassette tape recordings for transcription by the FBI.

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Interviewed on 5/12/78 at Sioux Falls, South Dakota File # MP 47-3118 16
by SA [redacted]; and
SA EUGENE L. PAYNE:sks Date dictated 5/16/78

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

Mr. [redacted], attorney, Suite 422, 101 South Main, telephone number [redacted], was contacted at the Federal Building, Sioux Falls, South Dakota. [redacted] agreed to talk with interviewing agents at the FBI Resident Agency space in the Federal Building. [redacted] was furnished an "Interrogation; Advice of Rights" form which he read and said that he understood and signed the waiver portion of this form. [redacted] then advised as follows:

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He was in contact on May 11, 1978, at his office in Sioux Falls, with [redacted]. This contact with [redacted] lasted from about 10:30 a.m. until 2:30 or 3:00 p.m. on May 11, 1978.

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[redacted] had contacted [redacted] at about 10:00 p.m. on the night of May 10, 1978, and agreed to appear at [redacted]'s office on the morning of May 11, 1978.

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Sometime during the morning of May 11, 1978, [redacted] received a telephone call from [redacted], an attorney who works for the Indian Development Foundation, a Federally funded program. [redacted] indicated that he was calling from Pierre, South Dakota, and [redacted] was told that he should relay a message to [redacted] to call telephone number [redacted], the office of Action in Pierre, South Dakota, and when he was able to contact that office, [redacted] was supposed to ask for Mr. CARTHA DE LOACH.

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Accordingly, [redacted] arrived at his office at about 10:30 a.m. and he [redacted] and [redacted] began to talk about the case involving [redacted]. Shortly after they began to talk about the [redacted] case, [redacted] told [redacted] that he had received a telephone call and that [redacted] was supposed to call a number in Pierre, South Dakota. Suddenly [redacted] received a phone call from an unidentified person saying that it was an emergency call from Pierre, South Dakota. Then a voice came on the telephone who identified himself as CARTHA D. DE LOACH and he told [redacted] that he was supposed to

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Interviewed on 5/12/78 at Sioux Falls, South Dakota File # MP 47-3118 17

by SA [redacted] and
SA EUGENE L. PAYNE:sks Date dictated 5/16/78

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MP 47-3118

get a call from [] and he wondered if [] was there at []'s office. [] responded that [] was there and the voice identifying himself as DE LOACH told [] to have [] call back.

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[] then dialed the number in Pierre, South Dakota, and turned the phone over to []. He believes that [] asked for DE LOACH and then hung up the telephone and waited. Another emergency phone call was received and [] believes that [] was instructed to call Pierre, South Dakota, and he said again it sounded like the same voice to []. Accordingly, [] contacted the number of Pierre and talked to an individual. Later [] told [] that it was Mr. DE LOACH.

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[] overheard only [] end of the conversation since he was in the room while the conversation was taking place.

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[] remembers that the conversation involved efforts by the State of South Dakota to entrap the defendant [] in a case which was tried in South Dakota in about March, 1976. [] believes that there was some suppression of evidence by the State concerning witnesses involved in the case and that the Attorney General's actions in the case appear to be out of order and that these points were the points of discussion between [] and the voice on the telephone in Pierre, South Dakota.

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Apparently, the individual to whom [] was talking asked questions concerning [] informants because he remembers that [] named several individuals. There apparently were also questions about others believed to be informants and apparently questions concerned what [] knew about these individuals and what he could tell concerning

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MP 47-3118

who they reported to and how they reported their information. There was also a conversation about a quantity of guns that involved a person named [redacted]. The conversation lasted some time and since [redacted] was overhearing only [redacted]'s end of it, he cannot be sure exactly what transpired in the conversation.

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It was [redacted] impression, however, that the person who identified himself as DE LOACH had told [redacted] that he was in the FBI. When [redacted] hung up the telephone, he said to [redacted] that DE LOACH had told him that he was in the FBI.

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Furthermore, [redacted] advised that on May 11, 1978, before [redacted] called the number in Pierre, South Dakota, that he [redacted] had told [redacted] that he had no reason to doubt that DE LOACH was who he said he was.

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[redacted] based this assertion on his part concerning DE LOACH on a conversation that he had had with [redacted] wherein [redacted] had told him that DE LOACH was a Federal investigator for the FBI; or at least [redacted] had told him that DE LOACH was a Federal investigator.

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[redacted] advised he did not know what [redacted] was attempting to achieve with [redacted] and that he had expressed a desire to understand the identity of DE LOACH simply because [redacted] was aware of certain political pressures that might be involved in the affair between [redacted] and the Attorney General's Office.

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[redacted] was questioned specifically as to whether or not he knew that the individual to whom [redacted] was speaking who identified himself as DE LOACH was in fact another person, possibly [redacted], and [redacted] advised that he did not know this but that he did know that it was [redacted] that he talked to in Pierre, South Dakota, on the morning of May 11, 1978.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/22/78

Mr. [REDACTED], telephone number [REDACTED], was contacted at his office. The identity of interviewing agents was made known to [REDACTED] by exhibition of credential card and he was furnished with an "Interrogation; Advice of Rights" form, which he read, stated that he understood, and signed the waiver portion of the form.

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Upon first being contacted, [REDACTED] said that he was a Federal employee; that he was an attorney; and that he was well aware of his rights.

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[REDACTED] explained that approximately one year ago, he became interested in the case involving [REDACTED], a disbarred local Sioux Falls attorney. At that time, [REDACTED] knew nothing about the [REDACTED] case. [REDACTED] wanted some paper signed or furnished by [REDACTED] and he was in contact with [REDACTED] to get this document taken care of and when he consulted with [REDACTED] concerning that matter, he offered to look at [REDACTED]'s case in exchange for [REDACTED] furnishing him with the document that he desired. After he looked into the case, [REDACTED] discovered what he thought was eight separate episodes of attempted entrapment against [REDACTED]. So he wondered whether or not [REDACTED] had had a fair trial.

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His examination of the case disclosed that much of the investigation was handled by [REDACTED] and [REDACTED] had been told by [REDACTED] that [REDACTED] had been operating under some sort of misguided impression but [REDACTED] would not elaborate on what he thought it was.

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[REDACTED] admitted that he had been in Pierre, South Dakota, on the morning of May 11, 1978, and that he had been at the Action Office which was the office of [REDACTED]. He remembered that when he went into the office, he saw a young lady there who he believed is [REDACTED]'s secretary and he told her that there would be some phone calls coming in to him at the office and

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Interviewed on 5/12/78 at Sioux Falls, South Dakota File # MP 47-3118 -18

by SA [REDACTED] and
SA EUGENE L. PAYNE;skk Date dictated 5/16/78

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MP 47-3118

that one of the calls would be for CARTHA DE LOACH and that if a call came in for CARTHA DE LOACH, she should give it to him.

[] advised that he does not know CARTHA DE LOACH personally but that he had been told by a person whose name he did not want to reveal that he should use DE LOACH's name.

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[] further advised that on May 10, 1973, he was told by an unknown person to contact [] and he was given a telephone number in Sioux Falls to call to do this.

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[] was asked whether or not he had identified himself as an FBI agent and he said that he had not. He then terminated the interview.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/24/78

Mr. [REDACTED], Sioux Falls, South Dakota, was contacted at the Office of the United States Attorney, DAVID VROOMAN, Sioux Falls. Present during the conversation was Assistant United States Attorneys ROBERT HIARING and GARY COLBATH.

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During this contact, [REDACTED] made available an envelope addressed to [REDACTED], Sioux Falls, South Dakota, 57105. Underneath the address was the words typed in capital letters "highly confidential" and underlined. This envelope was postmarked at Sioux Falls, South Dakota, on May 10, 1978.

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Contained in the envelope is a copy of a business card entitled [REDACTED], attorney, United States Commission on Civil Rights, Room 602, 1121 Vermont Avenue Northwest, Washington, D.C., 20425, Office of General Counsel, [REDACTED].

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[REDACTED] made available this envelope and copy of business card to the FBI for investigative purposes.

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Interviewed on 5/12/78 at Sioux Falls, South Dakota File # MP 47-3118 -19

by SA [REDACTED] and
SA EUGENE L. PAYNE/sks Date dictated 5/18/78

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FEDERAL BUREAU OF INVESTIGATION

May 24, 1978

Date of transcription

Supervisory Special Agent RICHARD A. ANDERSON on May 12, 1978, telephonically contacted Mr. CARTHA DE LOACH, Vice President of Corporate Affairs, Pepsico Company, Purchase, New York, telephone [REDACTED].

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Mr. DE LOACH was made aware of the impersonation of him by Mr. [REDACTED] and the circumstances surrounding the impersonation. It was explained to Mr. DE LOACH that he, DE LOACH, claimed to be presently investigating the office of the State Attorney General, WILLIAM JANKLOW, and was working with Senator GEORGE MC GOVERN and others to institute Federal Grand Jury proceedings concerning problems in JANKLOW's office. It was further pointed out that DE LOACH expressed awareness of [REDACTED]'s problems with JANKLOW and told [REDACTED] if he cooperated, he could be rehabilitated.

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Mr. DE LOACH was asked if he knew of the following individuals:

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U.S. Magistrate PEDER ECKER
Sioux Falls, South Dakota

Interviewed on 5/12/78 at Minneapolis, Minnesota File # MP 47-3118 -20

by SA RICHARD A. ANDERSON:cjp Date dictated 5/18/78

MP 47-3118

Mr. DE LOACH emphatically stated that he was not presently investigating anyone but is employed as Vice President of Corporate Affairs, Pepsico Company, Purchase, New York. Mr. DE LOACH stated that he was formerly an Assistant Director in the FBI and that he was appointed in 1965 as Chief of Operations in the FBI.

He stated that he did not know any of the individuals listed above nor did he in any way condone attorney [redacted] [redacted] using his name in the furtherance of a scheme.

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FEDERAL BUREAU OF INVESTIGATION

May 24, 1978

Date of transcription

Mr. CARTHA DE LOACH, Vice President of Corporate Affairs, Pepsico Company, Purchase, New York, on May 12, 1978, telephonically contacted Supervisory Special Agent RICHARD A. ANDERSON at the FBI Office, Minneapolis, Minnesota. Mr. DE LOACH advised that he had just received a telephone call from an individual identifying himself as [REDACTED], Sioux Falls, South Dakota. Mr. [REDACTED] inquired of Mr. DE LOACH if he had ever met him at a convention or some other type of gathering, to which Mr. DE LOACH replied that he had not.

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Mr. DE LOACH then stated that he was not fond of [REDACTED] using his name nor did he want him in any way impersonating him again.

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Interviewed on 5/12/78 at Minneapolis, Minnesota File # MP 47-3118-2000
by SA RICHARD A. ANDERSON:cjp Date dictated 5/18/78

memorandum

DATE: 6/5/78

REPLY TO
ATTN OF: SUPERVISOR RICHARD A. ANDERSON

SUBJECT:

, aka

Cartha D. DeLoach,

Cartha De Loach, Zeke; IMPERSONATION; OOJ OO: MINNEAPOLIS

TO: SAC, MINNEAPOLIS (47-3118) (P)

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In accordance with the Management by Objective Plan for the Minneapolis Division, the above captioned matter is to be reassigned to the 7 Squad or rotor effective as of June 9, 1978.



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

47-3118-21

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN - 5 1978	
FBI — MINNEAPOLIS	

DAN

OPTIONAL FORM NO. 10
(REV. 7-76)
GSA FPMR (41 CFR) 101-11.6
5010-112

FEDERAL BUREAU OF INVESTIGATION

Date of transcription June 13, 1978

DAVID V. VRCOMAN, U. S. Attorney, District of South Dakota, made available the business card of [redacted], which he advised [redacted] made available to him on June 8, 1978. The card read as follows:

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[redacted]
Attorney
United States Commission on Civil Rights
Room 602
1121 Vermont Ave., N.W.
Washington, D. C., 20425
Office of General Counsel
[redacted]

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The number [redacted] was crossed out and [redacted] written in in ball point pen.

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Interviewed on June 9, 1978 at Sioux Falls, SD File # NP 47-3118 *24*

by SA [redacted] /kaf Date dictated June 9, 1978

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FEDERAL BUREAU OF INVESTIGATION

Washington, D. C. 20537

REPORT

of the

LATENT FINGERPRINT SECTION IDENTIFICATION DIVISION

YOUR FILE NO. 47-3118 (P)
FBI FILE NO.
LATENT CASE NO. B-62130

June 19, 1978

TO: SAC, Minneapolis

RE: AKA;
ET AL.;
IMPERSONATION; OOJ

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REFERENCE: Airtel 5/24/78 and routing slip 6/1/78
EXAMINATION REQUESTED BY: Minneapolis
SPECIMENS: Envelope
Copy of a business card

No latent prints of value were developed on the specimens, which are enclosed.

Enc. (2)

47-3118-25

XX

11/28/78

TO: SAC, WFO

FROM: SAC, MINNEAPOLIS (47-3118) (P)

SUBJECT: [REDACTED], aka
Cartha D. De Loach,
Cartha De Loach,
Zeke;
IMPERSONATION; OOJ

OO: MINNEAPOLIS

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For information of WFO, subject was director
of an organization known as [REDACTED]
[REDACTED] Avenue, Sioux
Falls, South Dakota 57102.

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The above organization was funded partly by
U.S. Government funds from the United States Department
of Commerce and was funded also by various Indian tribal
organizations in a five state area around South Dakota.

Due to a lack of performance subject was encouraged
to resign which he did in about October, 1978. He is
presently attempting according to sources to attempt to
start a new organization funded by U.S. Government funds.

In May 1978 subject impersonated an FBI Agent
in an attempt to influence the outcome of a hearing
concerning a state of South Dakota drug case. His
impersonation and subsequent FBI investigation of it
precipitated problems for the subject and his superiors

2 - WFO
② - Minneapolis
ELP:kcw
(4) *See*

Bayne

Searched _____
Serialized X
Indexed
Filed

47-3118-27

MP 47-3118

in the U.S. Department of Commerce caused an audit to be made of his records. It is believed that this audit was conducted by Mr. [REDACTED], Indian Program Director, of the Office Minority Business Enterprises and the audit of records for the Dahcotah Institute of Development are filed in the Department of Commerce Headquarters in Washington, D.C.

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A former employee of the subject has recently come forward to claim the subject might have been involved in defrauding the U.S. Government and in addition the Office of Senator ABOUREZK has recently indicated an interest in exposing subject as a fraud to prevent him from receiving future federally funded projects.

The Office of the United States Attorney, Sioux Falls, South Dakota desires the FBI to investigate the possible fraud against the government allegations to determine whether or not there is a basis for an indictment under Fraud Against The Government which would in their opinion be a more meritorious case to prosecute than the impersonation case which is presently pending against the subject.

LEADS

WFO

AT U.S. DEPARTMENT OF COMMERCE, 14TH AND CONSTITUTION
AVENUE, WASHINGTON, D.C.

Attempt to obtain a copy of the U.S. Department of Commerce audit concerning the subject's program in Sioux Falls, South Dakota.

During this contact with the U.S. Department of Commerce efforts should be made to establish the exact relationship between the subject and the U.S. Department of Commerce, i.e. whether he was an employee, a funded agent or whatever.

MP 47-3118

MINNEAPOLIS

AT SIOUX FALLS, SOUTH DAKOTA

Will upon receipt of the audit concerning subject's operation by the U.S. Department of Commerce, consult with the U.S. Attorney's Office to determine whether or not a basis for a Fraud Against The Government case exists in this matter.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/12/78

TO: SAC, MINNEAPOLIS (47-3118)

FROM: SAC, WFO (47-10867) (RUC)

[redacted], aka
Cartha D. De Loach,
Cartha De Loach,
Zeke;
IMPERSONATION; OOJ
(OO:MP)

b6
b7C

ReMPairtel to WFO dated 11/28/78.

Enclosed for Minneapolis is the original and two copies of an FD-302 and original interview notes reflecting interview with [redacted] at Washington, D. C. (WDC). Also enclosed are one Xerox copy each of the following:

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- 1) United States Department of Commerce Notification of Personnel Action regarding [redacted], which shows [redacted] notification of transfer to the Chicago Office of OMBE, effective 7/1/78 (one page).
- 2) Application for leave regarding [redacted] (four pages).
- 3) Letter dated 2/11/77 to [redacted] from [redacted], with attachments (13 pages).

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- ② - Minneapolis (Encs. 10)
2 - Chicago (Encs. 2)
2 - Dallas (Encs. 2)
1 - WFO

DWG:mer
(7)

47-3118-20

SEARCHED	INDEXED
SERIAL	FILED
DEC 16 1978	
Bayne	

Approved: NFS/B

Transmitted

(Number)

(Time)

Per

WFO 47-10867

- 4) Letter dated 8/23/76 to [redacted]
from [redacted] (two pages).
- 5) Letter dated 9/15/78 to [redacted]
from [redacted] (two pages).
- 6) Letter dated 9/28/78 to [redacted] from
[redacted] (two pages).

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Enclosed for Chicago and Dallas are two copies each of above FD-302.

For information of Chicago and Dallas, subject was director of an organization known as [redacted]
[redacted], [redacted],
Sioux Falls, South Dakota 57102.

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The above organization was funded partly by United States Government funds from the United States Department of Commerce and partly by funds from various Indian tribal organizations in a five state area around South Dakota.

In May, 1978, subject impersonated an FBI agent in an attempt to influence the outcome of a hearing concerning a state of South Dakota drug case. His impersonation and subsequent FBI investigation of it precipitated problems for the subject, and his superior in the United States Department of Commerce caused an audit to be made of his records.

A former employee of the subject has recently come forward to claim the subject might have been involved in defrauding the United States Government, and in addition, the Office of Senator ABOUREZK has recently indicated an interest in exposing subject as a fraud to prevent him from receiving future federally funded projects.

The office of the United States Attorney (USA), Sioux Falls, South Dakota, desires the FBI to investigate the possible fraud against the government

WFO 47-10867

allegations to determine whether or not there is a basis for an indictment under the Fraud Against the Government Statute, which would in their opinion be a more meritorious case to prosecute than the impersonation case which is presently pending against the subject.

LEADS

CHICAGO

AT CHICAGO, ILLINOIS. 1) Contact [redacted]
[redacted], [redacted], OMBE, 55 East Monroe Street,
Suite 1440, Chicago, Illinois, telephone number [redacted]
[redacted], regarding transfer status of [redacted].

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2) Interview [redacted], [redacted]
[redacted], OMBE, United States Department of Commerce,
55 East Monroe Street, Suite 1411, Chicago, Illinois,
telephone number [redacted], regarding audit he conducted
of Dahcotah Institute and [redacted] and obtain
a copy of such, with any discrepancies noted.

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DALLAS

AT DALLAS, TEXAS. 1) Interview [redacted],
[redacted], OMBE, Federal Building, Dallas,
Texas, telephone number [redacted], regarding [redacted]
and his knowledge of the Dahcotah Institute and any
audits conducted.

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MINNEAPOLIS

AT SIOUX FALLS, SOUTH DAKOTA. 1) If not
already done, interview [redacted], [redacted]
[redacted], Sioux Falls, South Dakota, regarding
his knowledge of [redacted] activities at the Dahcotah
Institute.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/19/78

Mrs. [redacted]
[redacted] Sioux Falls, South Dakota, was apprised of the identity of the interviewing Agents and purpose of the interview and advised as follows:

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Mrs. [redacted] advised on Wednesday, May 10, 1978, between 5:00 and 6:00 p.m., she received a call for [redacted]. She said the caller was a man with a deep voice who asked for [redacted]. She said she told the caller that [redacted] was not there, and that she worked for the [redacted]. She said the caller then hesitated and she told the caller that that was all she could say and terminated the call.

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Mrs. [redacted] advised that at approximately 8:55 p.m. on May 10, 1978, she received a second call from the same previous caller, who asked for [redacted] and she told the caller that he was not there. She said the caller, a man, told her, "I'm with the FBI and my friends call me "ZEKE," and then went on to say that it was important that he talk with [redacted]. She said she told the caller that [redacted] had gone to the drugstore and would return soon. The caller then asked for [redacted]'s residence telephone number and she told the caller that he would be back at that number that the caller had called in about 15 minutes. She said the caller again said that he was with the FBI, and that he was calling in reference to either a Federal warrant or a subpoena, or at least a Federal something similar to this. She said she asked the caller to call back within the next ten minutes and the caller told her that he was taking an airplane to Denver, Colorado. She said that she then gave the caller [redacted]'s telephone number and the caller wanted [redacted]'s

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Interviewed on 5/15/78 at Sioux Falls, South Dakota File # MP 47-3118-38

by SA EUGENE L. PAYNE
SA [redacted] /RRG/hrc Date dictated 5/17/78

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MP 47-3118

address, but she did not give it to him. She said that she made notes of her conversation with the caller on the Wednesday "Argus-Leader" newspaper, which she produced, which also had the note Federal subpoena.

Mrs. [] advised that she again received a call from the caller, whose voice she recognized on Saturday evening, May 13, 1978, at an unknown time, and at this time the caller referred to []'s address as being [], and she told him that that was in fact her address, and that she did not know []'s current address, but only that it was on [].

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Mrs. [] provided the copy of the "Argus-Leader" newspaper, wherein she had made various notes.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/19/78

An "Argus-Leader" newspaper for Wednesday, May 10, 1978, which was provided to interviewing Agents by Mrs. [REDACTED], as the newspaper in which she had made various notes, was accepted as potential evidence in this matter and appropriately initialed and dated by interviewing Agents, and the following notations and description is noted:

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The apparent telephone number [REDACTED] is written in pencil and underscored in the upper left hand corner through a tear of page one of the newspaper and is written on page three; to the right of this appears the words again handwritten, "Fed. supdona."

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Between the letters A and D, in Leader, the name [REDACTED] appears.

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After the letter R in Leader, partially circled is the word, "ZEKE," with "FBI" underneath ZEKE.

This newspaper is being retained as evidence in this matter.

Interviewed on 5/15/78 at Sioux Falls, South Dakota File # MP 47-3118 - 40
by SA EUGENE L. PAYNE
SA [REDACTED] /RRG/hrc Date dictated 5/17/78

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b7C

FEDERAL BUREAU OF INVESTIGATION

6/12/78

Date of transcription

Mrs. [redacted]
[redacted], telephone [redacted], appeared
at the Sioux Falls Resident Agency of the
FBI and advised as follows:

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She is acquainted with [redacted]
[redacted], who she originally met in about
1959. In about 1966 [redacted] was an attorney
for a friend of hers who was obtaining a
divorce. During this divorce period she had
occasion to have some social contact with
[redacted]. In 1973 [redacted] arrested [redacted]'s
[redacted] in her store for shoplifting.
At that time she was told by some sources that
[redacted] was mad at her for having done that
to [redacted].

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In February, 1978, the most recent
series of events which included a social and
somewhat friendly acquaintance with [redacted]
began. In February, 1978, [redacted]
and her husband were on a tour to Mexico and
during the tour she and her husband met [redacted]
[redacted] and his wife and they had social
contacts with each other during the period
of the tour. During this period of time
while [redacted] was with his wife, [redacted]
noticed that he was very quiet and reserved.
She noted also that he liked to dance.

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After the tour to Mexico, the party
returned to Sioux Falls and [redacted] eventually
invited her and her husband to the El Matador
Restaurant, which [redacted] owns. At that time
[redacted] showed the [redacted]s through his
office and he appeared very much to want them
to be interested in his work.

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Interviewed on 6/5/78 at Sioux Falls, South Dakota File # MP 47-3118-411

by SA EUGENE L. PAYNE/hrc Date dictated 6/7/78

Ultimately, Mrs. [] invited [] to her husband's birthday party. During this party she noticed that [] drank a great deal, but he never became too drunk to be responsible for his actions or to be engaged in misconduct. Apparently [] thought he had a problem, however, because the next day he called [] and said something to the effect that he thought he had done a good job and that he had not misbehaved. After that party, [] called her a couple of times from the Black Watch or the Red Lantern Inn and invited her and her husband for drinks, and [] and her husband learned that [] would become somewhat hostile if they tried to decline an invitation offered by him, or said no to a proposal he made.

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As they got to be better acquainted, [] began to talk a lot about his work and about various abstract things, and ultimately Mrs. [] told [] that he talked a lot, but that he never listened, and she noticed that when he became insecure he often used big words.

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[] eventually had a dinner at the El Matador Restaurant where people who went on the Mexican tour were invited with the thought that they would bring the photographs that they took while they were in Mexico and that everyone could have a photo viewing exchange so to speak. During this dinner [] apparently said something to one of the members of the party, [], which made [] very unhappy. She remembered that [] had been on the tour.

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When the tv series entitled, "Holocaust" was presented on national television, [] invited the []s to his house. [] apparently got conservatively interested in the

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MP 47-3118

Holocaust theme and she noticed that he talked a great deal during the presentation, and as a matter of fact talked so much that he became quite boring and he distracted from the tv presentation.

[redacted] and his wife ultimately came to the [redacted]'s house for visits, and she remembers one occasion when he billed himself as the "married prankster." She remembers that [redacted] had apparently succeeded in putting an old dishwasher in a pickup truck owned by the [redacted]s, and then had one of his children call and talk to [redacted] (her husband), about a disappearing dishwasher. The whole joke was pretty crude and not very well handled, and [redacted] does not remember exactly what the point of it was. She remembered, however, that after the party broke up, [redacted] made a point to go to the [redacted] pickup truck and discover the disappearing dishwasher, and then he explained the complexity of his joke.

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After the presentation of the Holocaust series, she remembered that [redacted] said that if BILL JANKLOW is elected Governor of South Dakota, that we were going to have storm troopers in South Dakota. He said other things about JANKLOW at other times and made it apparent that he was very much concerned about the political success of BILL JANKLOW.

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[redacted] expressed the opinion that [redacted] was a very suggestible type person and that he seemed to take things that he heard and twist them around to suit his philosophy and then present these things in such a way to advance his own philosophical viewpoints.

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On one occasion [redacted] directly told [redacted] that he wanted to discredit BILL JANKLOW and that he wanted to get the [redacted] case reversed.

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He also said that he wanted to link the facts of the [] case to corruption in JANKLOW's office. Although [] is not necessarily a Republican, she has not been disillusioned with the leadership of BILL JANKOW as Attorney General, and she could not quite understand what [] meant by the things that he said, although she believed that he was sincere in what he was saying.

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[] told [] that he thought [] had been entrapped, and that he even thought that [] was covering up some of the facts in the case, and was not telling everything that happened. [] said that the only way [] could extricate himself from his predicament was to tell everything he knew and [] said "I'll beat it out of him."

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[] remembers the [] case and she remembered telling two attorneys, [] and a Mr. [], that they should not take the [] case.

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[] asked [] on more than one occasion why he wanted to dredge all this up and based on what [] tried to say, she formed the opinion that he was a self-styled reformer.

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[] usually visited the [] residence on Thursday nights, and on at least four or five occasions her husband [] left the room while [] was there because he could not endure []'s discussion.

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On one occasion [] called her regarding a letter that he wrote on an Indian problem in connection with his business, and after he read it to her, she was very critical of the letter. Based on her evaluation and criticism, [] told [] that

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she could be a communications expert, and that he would pay her to come to his office and evaluate the letters that he was writing on some of his Indian problems. After that she did go to his office on one occasion and re-wrote one of his letters. Several days later [] called her and said that his secretaries were now interested in evaluating his letters because they were apparently jealous of the fact that [] had brought another woman into the office for that purpose, and [] said a good looking one at that.

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[] pointed out that [] never touched her, nor made suggestions to her that would indicate that he was interested in her physically or romantically.

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[] recalled an incident on about May 18, when the light company turned off the electricity at her house, and she was extremely upset about it because she had neglected to pay the bill. On that date, [] visited her and he was very upset because a neighbor friend of his had died, and [] ultimately came to tears. This upset [] a great deal and she continued to be emotionally upset until the next day.

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[] recalled that [] invited her and her husband for a trip to Wyoming, where they would visit some Indians. On May 19, 1978, [] called her residence and asked if she and her husband had made arrangements to go. At this time [] notified [] that they were not going and he became very upset and very overbearing in an effort to try to get his way that they should make the trip.

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On May 28, 1978, [] arrived at their house at approximately 9:30 a.m. He really knew that they slept late on Sunday because

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on a prior occasion [] had called their residence at 7:30 a.m. on Sunday, and Mrs. [] had been very explicit in demanding that [] not bother them early on Sunday mornings because this was the morning they liked to sleep.

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However, on the morning of May 28, 1978, they heard a knock at the door and her husband [] got up and told their 15 year old son to go down and see who it was. The son returned and said that it was [], and that he had told him that his parents were sleeping, and that [] had indicated that he would wait on the porch until they got up.

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Her husband [] then went downstairs and told [] that if he wanted to talk he could come in. [] and her husband [] went to the sunporch and after talking briefly [] offered [] and some refreshments, and her husband told her later that [] had said I only want bread and water. Apparently when her husband was making the refreshments, [] asked a five year old son of Mrs. [] where the bathroom was. He apparently then went to the bathroom and removed his clothes. She was half asleep and she heard [] yelling, "[] where are you, get up." She removed the cover from her head and looked up to see [] standing at the end of her bed [] [] then reached through the bars of the brass bed and attempted to pull the covers off Mrs. []. She struggled with him for the covers and he came to the side of the bed where he grabbed Mrs. [] by the hair and pulled her out of bed. Her husband [] arrived in response to her screams over the struggle and [] attempted to subdue [], and during this struggle [] struck him, broke his glasses and cut his face. Ultimately, [] pinned []

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down on the floor and told one of the boys to get his clothes, and he told [] to get his clothes on and get out. [], however, left the house without any clothes, crossed the street, and got into his car and departed.

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[] recalled also that during the telephone call of May 19, 1978, [] told her that he could go berserk when he was required to do so, and he said also that it took a lot of control to go berserk and still not be insane. She remembered these words that he said after [] attacked her in her bedroom and based on what he said during the conversation the 19th, and on his behavior otherwise, it is []'s opinion that he was probably staging the attack to make it appear that he had gone berserk.

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[] remembered also that on May 17, 1978, during a conversation with [], that he told her that he was in trouble, and that he had made phone calls regarding the [] case and had talked to []. [] said that during these conversations with [], he had told [] that he was with the FBI and that because he had done that, he expected that he might be indicted.

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[] stated she was not surprised to hear [] claim that he had impersonated an FBI Agent because she had seen him do so on another occasion when he used her telephone and posed as someone else. On that occasion [] had called Attorney General JANKLOW's campaign manager and disguised his voice and his accent to appear to be a German individual. She does not remember what he said.

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Concerning her impression as to the stability of [], Mrs. [] reiterated that in her opinion he was a very suggestible person, and that she noticed that he frequently

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read newspapers, magazines, books and thereafter would talk about the secret meaning of the words that he found in the literature that he read. On one occasion he said that he was going to start a new city, and that there would be a gathering of eagles, and that her husband [] would be one of them, and that Sioux Falls, South Dakota, would be the new Rome for the civilization that he established. [] frequently read books about mythology and she saw him on one occasion with a book written by SIGMUND FREUD.

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Generally, she believed that he was a very inadequate and insecure person, who really liked to talk about himself and the things he was interested in, but did not ever want to listen.

Mrs. [] and her husband were summoned to an [] after the attack on her, but she never testified because as she understood it, []

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[] She is desirous of pressing charges or having someone charge [] with the attempted attack on her and the attack on her husband. She does not have personal animosity to [], rather she and her husband both defended him and his wife and in fact they noticed on more than one occasion that when [] was with his wife, he was calm and not agitated, but that when he was alone he acted rather different, as if to want people to think that his real personality was different than it was when he was with his wife.

-1-

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/23/79

Mrs. [redacted], [redacted] Iowa, telephone number [redacted], business address of 600 South Main, telephone number [redacted], appeared at the Sioux Falls, South Dakota, Resident Agency of the FBI, and advised as follows:

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She was formerly the Associate Director of [redacted] and is now the Director for the Old West Regional Commission, formerly operated by [redacted]. She has been in her present position as Director since October 1, 1978. She advised that [redacted] has been on sick leave from his position since September 1, 1978 and had a [redacted] in May, 1978.

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Since [redacted] has departed the Old West Regional Commission, she has formed a Board of Directors to carry on the work of the organization. Her Board of Directors asked her to seek [redacted] advice on activities they might be conducting and she met with him on February 9, 1979 at the El Matador Restaurant, where she, [redacted] and her secretary both attended this meeting with [redacted]. During the meeting [redacted] made the statement that he considered [redacted] to have been very "sneaky" about the way she took his job away from him.

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During the meeting, [redacted] asked [redacted] if the secretary [redacted] was busy and she said not too busy, and [redacted] then advised that he wanted some letters typed on Institute stationery. [redacted] did not exactly approve of [redacted] typing letters, but after the meeting was over, [redacted] met with her secretary privately and dictated some letters and asked her to type them all out without [redacted] knowledge.

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It was [redacted] impression that [redacted] was trying to convince her and her secretary that he was [redacted]

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Interviewed on 2/13/79 at Sioux Falls, South Dakota File # Minneapolis 47-3118-45
by SA EUGENE L. PAYNE:cacf Date dictated 2/19/79

-2-

Concerning [] activities prior to his [] in May, 1978, [] advised that approximately one month prior to his [] [] the office situation was pure "hell." It was [] opinion that [] may be attempting to create the impression on people that he is [], wherein he may not actually be. She has heard [] say on occasion that he was out "to blow [] mind," meaning the doctor who is taking care of his [].

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In about November, 1978, [] advised Mrs. [] that he was trying to confuse Dr. []. It is [] opinion that [] typed out a medical report that Dr. [] subsequently signed concerning [] condition.

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Mrs. [] explained that the Old West Regional Commission uses a direct mailing technique to various corporations in the United States, asking them to respond to their request as to whether or not they may be able to offer assistance in finding industry for Indian reservations, which is the goal of the Old West Regional Commission. She recalled that a letter was sent to the Pepsico Corporation, along this line, and that a response was received sometime in 1978 from a Mr. De Loach at the Pepsico Corporation. It is Mrs. [] impression that the answer by Mr. De Loach was what prompted [] to use De Loach's name in May, 1978, when he was known to have personated an FBI Agent. She believes that some sort of a biography statement was contained in the response which might have alerted [] to De Loach's former connection with the FBI.

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MP 47-3118

-3-

Mrs. [redacted] made available two letters which were typed up in her office at the instructions of [redacted]. These letters are set forth as follows:

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United States Department of Justice

UNITED STATES ATTORNEY

DISTRICT OF SOUTH DAKOTA
231 FEDERAL BUILDING & U.S. COURTHOUSE
400 SOUTH PHILLIPS AVE.
SIOUX FALLS, SOUTH DAKOTA 57102

BRANCH OFFICE:
317 FED. BLDG. &
U.S. COURTHOUSE
515 9TH ST.
RAPID CITY, S.D. 57701
MAILING ADDRESS:
P.O. BOX 2893

May 18, 1979

Mr. Eugene Payne
Federal Bureau of Investigation
P. O. Box 399
Sioux Falls, South Dakota 57101

Re:

b6
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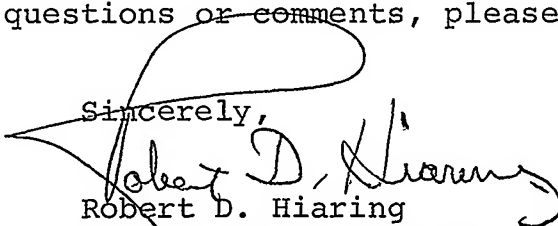
Dear Mr. Payne:

I have reviewed the investigative material you have provided to me concerning . It does appear that with the credibility problems we would have with Mr. and the as opposed to a possible prosecutive goal, it would be difficult to justify pursuing the matter. In view of that we are declining prosecution.

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If you have any questions or comments, please contact me.

Sincerely,


Robert D. Hiaring
United States Attorney

RDH:er

47-3118-46

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 11 1979	
FBI - MINNEAPOLIS	

memorandum

DATE: 6/19/79

REPLY TO
ATTN OF:

SA EUGENE L. PAYNE

SUBJECT:

[REDACTED], aka;
IMPERSONATION

TO:

SAC, MINNEAPOLIS (47-3118)(C)

b6
b7C

By letter dated May 18, 1979, United States Attorney (USA) ROBERT D. HIARING, District of South Dakota, advised that he had reviewed the investigative material concerning captioned subject; and that in his opinion, prosecution in this matter would be extremely difficult, due to credibility problems. The USA's Office would have with the original source, Mr. [REDACTED], and the [REDACTED]. In view of these problems, it was the decision of the USA to decline prosecution.

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USA HIARING's letter has been made a part of the substantive file in this case, and it is recommended that this case be closed. No letter to the USA is necessary, in view of the fact that correspondence to decline prosecution emanated from his office.

1 - Minneapolis
ELP:cacfi
(1) *CACF*

5
Close
JH

Destroy
6/84

47-3118-47

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 26 1979	
FBI - MINNEAPOLIS	
<i>Payne</i>	



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan